



HARRISBURG REDEVELOPMENT AUTHORITY

April 14, 2023,

RE: ARPA Allocation Public Comment. Food Accelerator/HUB facility

Dear City of Harrisburg City Council,

The Redevelopment Authority of the City of Harrisburg (HRA) chairs a coalition of urban agriculture growers and urban food development stakeholders known as Local Food Local Places Hbg (LFLP Hbg). This coalition originated from an EPA/USDA Local Food Local Places Technical Assistance grant to tackle food development and access in South Allison Hill and throughout the City of Harrisburg.

The LFLP-HBG coalition includes urban agriculture producers like the Bridge-Eco Village, City FARM, Wildheart and the Joshua Farm, Rafiqya Mohammed of Ngozi, Kenyotta Thomas and the Soul Proprietor Farm. Public and private stakeholders including city planning, parks and recreation, Health, Capital Region Water, Central PA Foodbank, Hamilton Health, Tri County Community Action, and residents. LFLP-Hbg has four main strategies with the first being a **Food Accelerator (HUB)**.

The Food Accelerator (HUB) is a multi-faceted facility for fresh food aggregation and distribution, year round farmers market, commercial kitchen incubator, chef and cuisine education venue, food truck commissary, and food vendor storage, among other food development activities.

The proposed site is the “Coca Cola building” at 227 S. 17th Street in South Allison Hill. The project requires funding from several sources and would like Council to consider \$900,000 of ARPA funds for the purchase of the facility to retrofit for this operation that will boost urban food development and community access.

Please see the following one page brief on the food accelerator, its potential and requirements.

Thank you and My Best,

A handwritten signature in blue ink that reads 'Bryan K. Davis'. The signature is fluid and cursive, with the first name 'Bryan' being the most prominent.

Bryan K. Davis,
Executive Director

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BOTTLE WORKS - FOOD ACCELERATOR - South Allison Hill, Harrisburg, Pennsylvania

Background Planning

The Redevelopment Authority of the City of Harrisburg (HRA) conducted an US Environmental Protection Agency Brownfield Area Wide Planning (BF-AWP) in an Opportunity Zone (OZ) that is a mixed commercial and residential Industrial Park in South Allison Hill Harrisburg, Pennsylvania. The BF-AWP conducted studies on current conditions, infrastructure, market analysis, environmental conditions, brownfield inventory, incorporating previous neighborhood action plans and resident input and resulted in specific investment projects for site-reuses.

The “Coca-Cola Building”

A site re-use strategy for a Food Accelerator was proposed for the 227 S 17th Street (PID 09-064-004), commonly referred to as the “Coca-Cola building” due to its façade when it was a former bottling plant.

Food Accelerator

Community sentiment exists for a greater supply and access to fresh, healthy grocery options, cost-conscious pre-prepared foods, and sit-down dining. A facility that integrates related food-based activities and health living services to meet community need and market. The food accelerator facility in South Allison Hill would include:

- Food Distribution and Aggregation;
- Full-service restaurant;
- Fresh food multi-vendor farmers market;
- Shared use commercial kitchen that can also serve as an incubator and culinary school for job training;
- Enclosed parking area for overnight parking and loading of food trucks;
- Storage/preparation facility for food truck operators and caterers;
- Event space for weddings, anniversaries, birthdays and other occasions.

Examples of Food Accelerators – Philadelphia, PA

- Artisan Exchange, 208 Carter Dr., Suite 13B, West Chester, PA 19382 <https://www.artisanexchange.net/>
- Dorrance H. Hamilton Center, 310 S. 48th St., Philadelphia, PA 19143. <http://www.theenterprisecenter.com/>

Feasibility/Market Study Assessment: *Preliminary Food Accelerator Feasibility Assessment, Coca-Cola Facility, Harrisburg, PA*, Urban Partners, December 14, 2020

Phase 1: Core Building Cost:

• Acquisition - Assume Structure/Exterior Walls/Roof Sound - \$850,000

- Interior Demolition/Upper Floor Repairs Allowance \$ 100,000
- Food Truck/Caterer Vehicle Bay Minor Repairs \$ 20,000
- Exterior Windows & Doors \$ 175,000 Assume One-Third Need Replacement/Addition
- Demising Walls Separating Uses (345 LF) \$ 60,000
- Parking Area Upgrade \$ 200,000

Total Acquisition and Rehabilitation: \$ 1,405,000

Phase 2: Accelerator Components

- **Restaurant (3,000 SF):** Space Improvements \$ 425,000; Kitchen Equipment \$ 75,000 **Total \$ 500,000**
- **Banquet Space (4,000 SF)** Space Improvements \$410,000; Warming Equipment \$20,000; **Total \$ 430,000**
- **Farmers Market (10,000 SF):** Space Improvements \$600,000; Landlord Equipment Allowance \$70,000; **Total \$670,000**
- **Commercial Kitchen (1,500 SF):** Interiors \$35,000; Plumbing/Electrical \$70,000; HVAC/Fire Protection \$75,000; Hoods/Exhaust/Fire Suppression/Exhaust \$ 120,000; Kitchen Equipment \$80,000; **Total \$380,000**
- **Food Truck Vendor/Caterer Storage Area (8,000 SF):** Interiors: Paint/Floor Patch/Sinks/Toilets \$ 100,000; HVAC/Fire Protection/Electrical \$ 100,000; Fence Dividers & Gates \$ 50,000; storage Racks & Preparation Tables \$ 35,000 Walk-In Coolers (4) \$ 55,000; **Total \$ 340,000**

Total Accelerator Components: 1,820,500

Total Project Cost: 3,225,500

Overall Pro-Forma: Gross Income: \$248,709 - Total Operating Expense: \$191,755 = **Net Income \$56,953**

General feasibility Conclusion: The Food Accelerator is operationally feasible and can be expected to provide the community and entrepreneurship benefits anticipated from the fresh food market, cooperative kitchen, and supportive facilities. However, with a modest net revenue (\$55,000 by Year 3) debt financing for capital costs is not feasible and capital financing should be sought from grant sources. HRA is requesting this project be considered by City Council as a beneficial community and economic **ARPA Project Request** for applicable discretionary congressional appropriation. **The total project cost presents all phases for the project, but our request is open to just phase 1 or part of phase 1 and acquisition cost of \$850,000 in particular.**